

RES10-036

Wilmington, Delaware
June 3, 2010

#3376

Sponsors:

Council
President
Griffiths

Council
Member
Freel

WHEREAS, The City of Wilmington (the "Issuer" or "City") is organized and validly existing under its home rule charter and any other applicable laws of the State of Delaware (the "Act"); and

WHEREAS, the Issuer has determined to undertake various capital projects specified in the City's capital budgets for its Fiscal Years 2008 and 2010 and to acquire various vehicles and other pieces of equipment authorized by the City in its operating budget for Fiscal Years 2010 and 2011 (collectively, the "Capital Projects"); and

WHEREAS, the Issuer intends to finance the costs of the Capital Projects by the issuance of its bonds, notes or other obligations, including entering into capital leases with respect to such equipment (the "Bonds"); and

WHEREAS, the Issuer intends to use a portion of the proceeds of the Bonds to reimburse itself for original expenditures paid prior to the date of issuance of the Bonds; and

WHEREAS, this Resolution is intended to constitute a statement of "Official Intent" pursuant to Treasury Regulations § 1.150-2, T.D. 8476 (the "Treasury Regulations").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WILMINGTON THAT:

1. In accordance with Treasury Reg. § 1.150-2, the Issuer hereby states its intentions that a portion of the proceeds of the Bonds will be used to reimburse itself for

expenditures paid prior to the date of issuance of the Bonds. All capitalized terms used herein and not otherwise defined have the same meaning as ascribed to them in Treas. Reg. § 1.150-2.

All original expenditures to be reimbursed will be capital expenditures (as defined in Treas. Reg. Sec. 1.150-1(b)) and other amounts permitted to be reimbursed pursuant to Treas. Reg. Sec. 1.150-2(d)(3) and (f).

The Issuer intends to reimburse the original expenditures through the Issuer's incurrence of debt to be evidenced by the Bonds.

The description of the type and use of the property for which the original expenditure to be fully or partially reimbursed is to be paid is: costs relating to the Capital Projects as defined in the recitals to this Resolution.

The maximum principal amount of the Bonds to be issued to reimburse the costs of the Capital Projects paid prior to their issuance and to complete the Capital Projects is \$6,000,000 for those Capital Projects authorized by the City's Fiscal Years 2010 and 2011 operating budgets and \$20,000,000 for those Capital Projects authorized by the City's Fiscal Years 2008 and 2010 capital budgets, including the costs of issuance of the Bonds in each instance.

2. Once the Bonds are issued, the Issuer shall allocate Bond proceeds to reimburse a prior expenditure by making the allocation on its books and records maintained with respect to the Bonds; provided that such costs to be reimbursed were paid not more than 60 days prior to the date hereof. Such allocation shall specifically identify the actual original expenditure to be reimbursed. Such allocation shall occur not later than 18 months after the later of (i) the date on which the original expenditure is paid, or (ii) the date the Capital Projects are placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid; provided, however, that if the Bonds satisfy the provisions of Section 148(f)(4)(D)(i)(I) through (IV) of the Internal Revenue Code of 1986, as amended (relating to the \$5 million exception from rebate), then the reimbursement allocation shall occur not later than three (3) years after the later of (i) the date on which the original expenditure is paid, or (ii) the date on which the Capital Projects are placed in service. If the Bonds are issued before the expiration of the period prescribed in the preceding sentence, then the reimbursement allocation shall occur not later than the date the Bonds are issued.

3. The Bond proceeds used to reimburse the Issuer for original expenditures will not be used within one (1) year after the allocation in a manner that results in the creation of replacement proceeds (as defined in Treas. Reg. §1.148-1) for the Bonds or for other bonds.

4. The Issuer will not use the proceeds of the Bonds to reimburse, refinance or refund an original expenditure paid by another obligation (either tax-exempt or taxable).

5. This Resolution is effective immediately.

6. All resolutions heretofore adopted to the extent the same are inconsistent herewith are hereby repealed.

Passed by City Council ,
June 3, 2010

ATTEST: Traci Owens
Acting Deputy City Clerk

Approved as to form this 2nd day
of June, 2010.

John R. Martin
City Solicitor

CITY CLERK'S CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by a majority vote of the City Council of The City of Wilmington at a meeting of said Council duly and regularly held on June 3, 2010; that public notice of said meeting was given in the manner provided by law; that said resolution has been duly recorded upon the minutes of the Council, has not been amended or rescinded and is in full force and effect this 3rd day of June, 2010.

[SEAL]

City Clerk